

Treasury Department,

Bureau of the Mint,

Washington, D. C. March 10, 1899.

Mr. A. J. Ralston,
President, Selby Smelting & Lead Co.,
San Francisco, California.

Dear Sir:

Your favor of the 27th ultimo is at hand. Permit me to say that I have read with care all your letters upon the present relations of the Seattle Assay Office and the San Francisco Mint to the movement of gold from Alaska and the Klendike and that I am very glad to hear from you fully and freely upon this or any other subject in which you personally or the general public on the Coast are interested. I recognize your experience and long familiarity with the business of handling bullion on the Coast. I am bound to say, however, that in going over the letters of the 7th and 11th, to which you express surprise at receiving no reply, that I do not find anything in them that does not seem to me to have been fully covered by letters already written to you and other parties in San Francisco.

It seems to me that your letters cover too wide a range, reaching into many subjects that are outside the limits of the present discussion. I think I understand what the situation is out here, appreciating the evils of which you complain and have already

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signified my desire to relieve you so far as in my power. The situation, it seems to me, may be covered in brief as follows:

First.- The Assay Office at Seattle exists by virtue of law and cannot be discontinued by this Department.

Second.- The transportation charges on bullion from the Assay Offices to Mints are paid by provisions of law, and it is not in the discretion of this Department to discontinue paying them.

Third.- Depositors at Assay Offices have a right to demand payment in cash and we have no right to say that they shall take drafts on San Francisco or Chicago or New York unless such acceptance is entirely agreeable to them. In this connection let me add that small depositors at Seattle have been obliged to take Eastern drafts against their will and suffer discount upon them, it has been without my knowledge and steps have already been taken to see that this does not occur in the future. As a rule, however, depositors at Seattle are entirely willing to take Eastern exchange instead of cash, and that is why they have been so paid.

Fourth.- We pay in drafts at Seattle not because anybody has asked us to or because it serves anybody's private interest for us to do so, but because we thereby save to the Government the cost of transporting the currency to Seattle.

Fifth.- We cannot pay depositors at Seattle exclusively in drafts on San Francisco because to many of them such drafts will not be acceptable and they would assert the right the law gives them to demand cash.

Sixth.- We intend to offer depositors at Seattle their choice between cash and drafts on San Francisco as soon as we have perfected arrangements for conveying bullion to the Mint and coin back to Seattle at a cost within the funds which are at our disposal.

This, it seems to me, covers the whole case. We have a limited appropriation for transportation expenses. That appropriation is wholly inadequate to pay the cost of carrying the Seattle receipts to San Francisco and coin back at the present charges demanded.

Therefore, we shall not inaugurate that change while the charges remain what they are.

Very truly yours,



Director of the Mint.

RG104 E-235 Vol 305 Misc Correspondence

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Very truly yours,
[Signature] George E. Roberts
Director of the Mint.